

City Limits.

Utilities

Introduction

The Greater Duwamish M and I Center has been in industrial use since early this century, and has, due to changes in technology, experienced continuing need for public utility infrastructure which meets the needs of industrial and manufacturing processes.

Electrical and water utility needs in the M and I Center are currently being met. Electricity is a major operating expense for many industrial firms including manufacturers and companies engaged in processing and storage of food products, including seafood. At present, Seattle City Light industrial rates are below those of many major utilities and provide an important incentive for industrial firms to remain or relocate in the City.

There is, however, currently a lack of stormwater facilities on specific areas, especially in and around Georgetown and the South Park Industrial Area.

Provision of adequate and affordable infrastructure is crucial to the continued viability of the M and I Center, and like with electricity, can be an incentive for industrial firms to remain or locate in the area.

Goals and Policies

*Goal UT 3: Provide adequate and affordable utilities sufficient to support growth in the **M** and I Center.*

Pol. UT 1.1 Public utilities, services, and infrastructure should be sufficient to accommodate projected growth.

Pol. UT 1.2 Provide affordable high quality water for industrial use at an affordable price.

Pol. UT 1.3 Maintain competitive electrical rates for industrial customers.

Pol. UT 1.4 Provide adequate stormwater facilities in areas where deficiencies currently exist.

Pol. UT 1.5 Increase roadway and pavement durability and longevity with drainage facilities and improved maintenance.

Recommended **Actions/Strategies**

Act. UT-1 Reduce **Electrical Hookup Fees**. Reduce electrical hookup fees to make it easier for industrial companies to expand or locate in the City of Seattle.

Rationale: Lower hookup fees would encourage companies paying family-wage jobs to locate or expand within the M and I Center.

Act. UT-2 Investigate Using Reclaimed Water. Investigate the feasibility of using reclaimed water for industrial processes.

Rationale: A study of the long-term cost effectiveness of applying reclaimed water to non-food production industrial uses is needed. The study should assess whether utilizing treated wastewater in appropriate industrial uses is less

expensive than providing potable water and indicate environmental benefits associated with the use of reclaimed water.

- Act. UT-3 Provide Drainage Facilities. Provide the following specific drainage facilities in the M and I Center (which were identified in this planning process):

North Duwamish

- Horton between 4th Avenue S and East Marginal Way, Lander Street between 1st Avenue and 4th Avenue, rail crossings along the entire length of Holgate and on Occidental and Stacy, Occidental from Lander to Horton, the entire length of Spokane Street to Airport Way including rail crossings, and 6th Avenue S (shoulders) from Massachusetts to Lander.

Georgetown

- 4th Avenue S at S Michigan Street, 3rd Avenue S; between S Dawson Street and S Lucile Street, S Fidalgo Street; between 1st Avenue S and 4th Avenue S, and S Hudson Street at 1st Avenue S.

South Park

- AU streets bounded by 7th Ave S, SR 99, the Duwamish Waterway, and Southern Street.

Rationale: Drainage improvements will correct existing deficiencies which currently make it difficult to operate and attract new businesses. Better drainage would improve safety, structural integrity, and visual character of the roadway systems in M and I Center and would significantly increase the durability and life expectancy of paved structures through this district, therefore decreasing life cycle costs by reducing pavement rehabilitation needs.

- Act. UT4 In-Depth Community Outreach Process. Conduct an in-depth community outreach process for SPU's South Park storm drainage study that takes direct input from property owners and operating businesses in order to effectively consider additional needs of the area not identified in Act. UT-3. This outreach process could be coordinated with the upcoming storm drainage and public utilities study identified below in Act. UT-5.

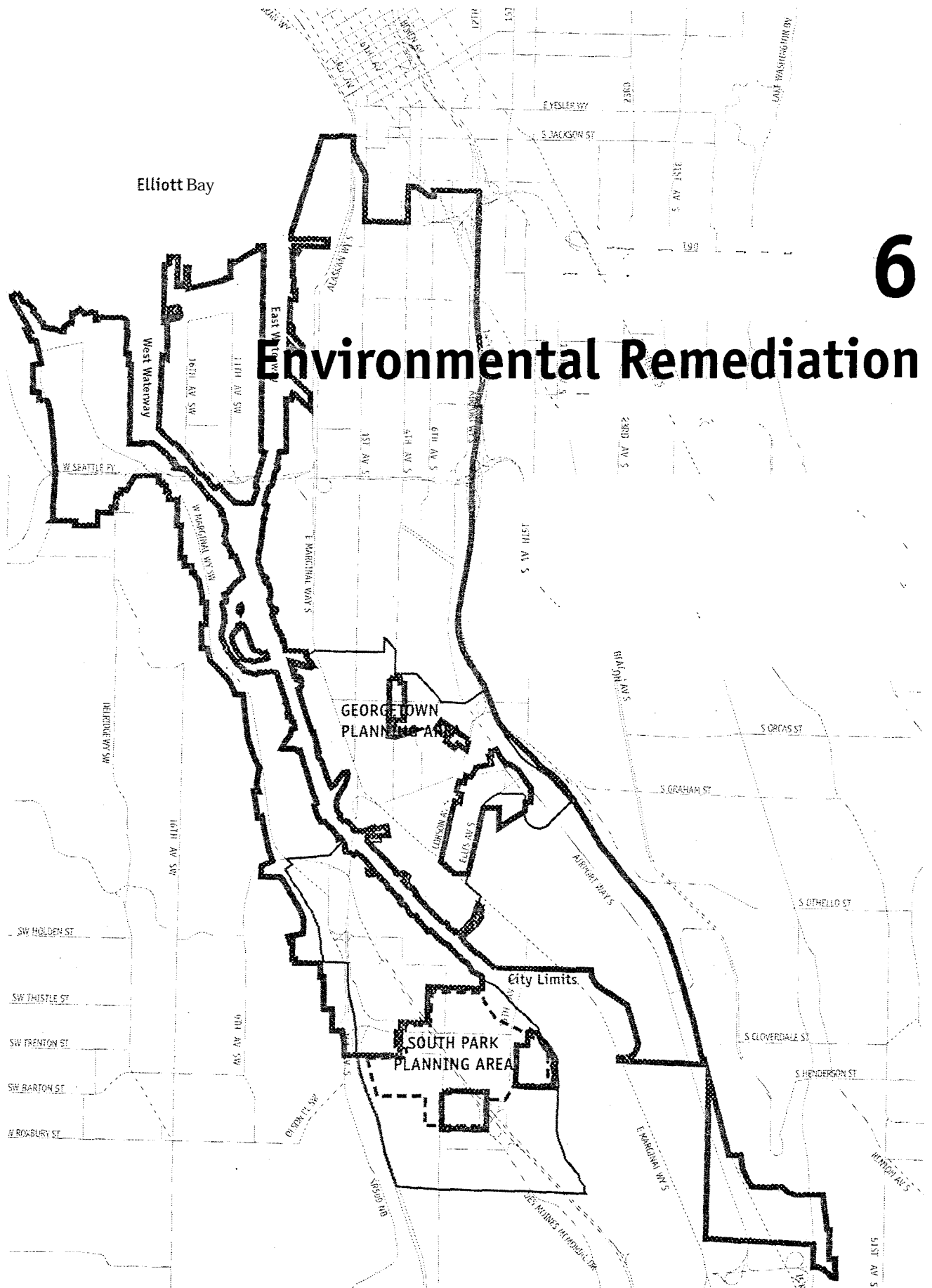
Rationale: Act. UT-3 identifies only the needs discovered in the course of this planning process. An in-depth community outreach process can help to effectively consider additional needs of the area not yet identified.

Act. UT-5 Coordinate Upcoming Storm Drainage and public Utility Study. Coordinate the upcoming storm drainage and public utility study between Seattle Public Utilities and King County to facilitate growth and development of the South Park/King County Manufacturing & Industrial Area. Ensure the following issues are analyzed and included in the study:

- Relationship of street and drainage functions,
- Costs to property owners/businesses,
- Strategies for future implementation, and
- Discussion of construction impacts.

Rationale: Coordinating upcoming studies will help to ensure consistency in planning efforts and assist in facilitating growth and development in the South Park/King County Manufacturing & Industrial Area.

Environmental Remediation



Environmental Remediation

Introduction

Since the early 1900s, the Duwamish area has functioned as one of the principal employment centers for the City of Seattle and the region. The area saw losses in employment in the 1970s and 1980s with the decline of some local manufacturing industries, but it remains the largest industrial area in the State of Washington.

Despite the M and I Center's role as a major economic engine for the region, expansion opportunities for existing and new employers remains sluggish due in part to aging industrial facilities and infrastructure and contamination. Redevelopment of the Duwamish "brownfields," which are currently contaminated industrial sites awaiting cleanup, could result in the creation of additional industrial lands which would support additional family-wage jobs.

The nature of the existing or previous industrial uses, the types of contamination encountered, and the regulatory environment make cleanup of the M and I Center and the contaminated industrial areas very complex. Resting on landfill that covers tidal flats, environmental conditions in the M and I Center can be characterized by complicated groundwater issues and a variety of contaminants on small, individually held parcels. The Duwamish Waterway runs through the center of the area, and is important to the region both economically and ecologically. While manufacturers use the Waterway for transporting goods, salmon use it for spawning. Two Native American tribes—the Muckleshoot and the Suquamish—have fishing rights to the river.

Seattle's Duwamish area contains less than 1/2 percent of the County's land area, but contains over 20 percent of the hazardous waste sites regulated under the Model Toxics Control Act (MTCA) (City of Seattle OED). When compared with the Port of Seattle's Southwest Harbor project, (which spent \$45 million to clean up 180 acres) cleanup costs for the Duwamish corridor could be estimated in the hundreds of millions of dollars, if not more.

Many of the vacant, under-utilized, and contaminated sites in the Duwamish could be economically viable if remediation costs were more manageable. Anecdotal information suggests a high level of frustration on the part of property owners who wish to expand or locate in the Duwamish but cannot for reasons relating to contamination, cleanup costs, and/or parcel size.

Additional contamination problems may exist, but have not been documented by regulatory agencies. Movement of groundwater through the shallow aquifer is tide influenced, making the transfer of contaminants between properties more probable. According to industrial appraisers at the King County Department of Assessments, nearly 100 percent of the City's industrial land may be contaminated to one degree or another.

Solutions

The nature and extent of contamination in the M and I Center point to long term systemic solutions. While the degree of contamination and costs of cleanup seem daunting, combined political and community will has already moved toward implementing system-wide solutions. Fortunately, many agencies are already working cooperatively together to address environmental remediation.

In 1994 the King County Council established the Duwamish Coalition to study the area's industrial development issues and to devise a strategy that would promote broad policies that could be applied to the other industrial areas in the Seattle area. The Coalition has now handed off most of its recommendations to state and local agencies for implementation. The primary Duwamish Coalition recommendations fall into the following five categories:

- Job Creation Initiatives,
- Preserve and Reclaim Industrial Land,
- Water Quality and Habitat Enhancement,
- Regulatory Issues, and
- Infrastructure Investments.

To implement the Duwamish Coalition's recommendations, King County and the City of Seattle's strategy for brownfields redevelopment is to implement a number of systemic solutions which address regulatory and other institutional barriers to cleanup and redevelopment. In 1998 Vice President Al Gore and the USEPA designated the Duwamish Industrial Area as a Brownfield Showcase Community. The funds obtained through this project are being used to continue the work started by the Duwamish Coalition. A major task in the Showcase Community Project was the development of the Total Hydrocarbons Project (TPH), the intended outcome of which is to stimulate private investment by increasing the redevelopment potential of contaminated, vacant, or under-utilized industrial land.

In response to the above needs, King County, the City of Seattle, and other partners are implementing a broad range of additional innovative projects to address barriers to redevelopment, including changes to the statewide cleanup regulations (as part of the TPH project), a study of groundwater flow and contamination movement in the corridor (the Groundwater Pathways project, now completed), and the establishment of an Environmental Extension Service (EES) for small and medium-sized businesses in the corridor to assist in reducing pollution and cleaning up contaminated land. The EES (administered by ECOSS) assists businesses in finding solutions to regulatory, infrastructure, and development issues and problems, providing technical services in:

- Hazardous Materials Management,
- Environmental Files Management,
- Free Assistance from Northwest Environmental Business Council Environmental Consultants,
- Energy Conservation,

- Water Conservation,
- Stormwater Programs,
- Habitat Plantings,
- Recognition Programs, and
- Phyto/Bio-Remediation.

(Sources: King County-City of Seattle Brownfields Showcase Community Application II, 1997, "Lifting the Clouds, Seattle Clears the Way for Redevelopment," Brownfield News, February 1997, printed material regarding brownfields remediation provided by the City of Seattle Office of Economic Development).

Additionally, the City of Seattle provides financing to industrial businesses through the following programs:

- **Industrial Revenue Bonds (IRBs):** Issued by the City of Seattle Industrial Development Corporation (IDC), IRBs are available to manufacturing, processing, production, and assembly businesses. Industrial Revenue Bonds can help finance land purchase; building construction or improvement; purchase of machinery and equipment; architectural, engineering, and legal fees; and the cost of issuing and administering the bonds. Interest rates and terms are set by the bank or institution that agrees to buy the bonds. Interest rates may be floating or fixed. Because the bonds are issued by the City's IDC, a bond buyer is exempt from federal income taxes. This enables borrowing at a below-market interest rate. The rates on a floating rate IRB would be around 75% of prime. The rate on a fixed rate IRB would be approximately 2% below prevailing conventional interest rates.
- **Community Capital:** A nonprofit lender that provides technical assistance and loans to small businesses located in lower income neighborhoods and small manufacturers. Eligible loans include financing for start-up or a purchase of an existing business; purchase/refinance/construction of commercial real estate; accounts receivable financing for contractors; and restructuring long term debt and equipment and working capital.

Goals and Policies

*Goal ER 1: **Affirm** the Duwamish Coalition Mission Statement as the overarching principle and approach to environmental remediation:*

"To preserve and reclaim industrial land for the purpose of expanding the manufacturing and industrial job base, and protecting and enhancing the natural environment."

*Goal ER 2: **Affirm** the goal of systemic reforms, to create the greatest incentive for **private** sector industrial activity.*

Recommended Actions/Strategies

- Act. ER-1 Continue to Fund Programs that Assist property and Business Owners. Continue to fund programs that assist property and business owners such as the Environmental Extension Service, Industrial Revenue Bonds, and Community Capital.
- Rationale: Due to prohibitive costs, continuing technical assistance is needed by small property and business owners to enable cleanup of contaminated properties.
- Act. ER-2 Complete and Implement Total Hydrocarbons Project. Complete and implement the Total Hydrocarbons Project.
- Rationale: The development and field testing of new environmental statewide regulations for assessing risk and setting cleanup standards for industrial lands with petroleum contamination will move the systemic solutions to remediation of contaminated lands forward towards implementation.
- Act. ER-3 Area-wide Consent Decrees. Complete and implement the Duwamish Area-wide Consent Decree model program.
- Rationale: Legal agreements called consent decrees that govern cleanup would greatly reduce the cost of obtaining individual consent decrees for cleanup of individual parcels.
- Act. ER-4 Public-Private Partnerships to Cleanup Industrial Sites. Form joint public-private partnerships with business, property owners, and government to identify ways to cleanup industrial sites using funds from existing and new programs.
- Rationale: Environmental clean up of industrial sites can be cost-prohibitive to some businesses. The formation of public-private partnerships to fund such programs can increase affordability of clean up and ensure that this extremely important function occurs.